

_____ BILL NO. _____

INTRODUCED BY _____
(Primary Sponsor)

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING RULES TO ALLOW COAL AND URANIUM MINE OPERATORS TO SELF-INSURE OR SELF-BOND MINE OPERATIONS; AMENDING SECTION 82-4-223, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 82-4-223, MCA, is amended to read:

"82-4-223. Permit fee and surety bond. (1) An application fee of \$100 ~~shall~~ must be paid before the permit required in this part ~~shall~~ may be issued.

(2) Before a permit may be issued, the operator shall file with the department a bond payable to the state of Montana with surety satisfactory to the department in the penal sum to be determined by the department of not less than \$200 for each acre or fraction ~~thereof~~ of an acre of the area of land affected, with a minimum bond of \$10,000, conditioned upon the faithful performance of the requirements set forth in this part and of the rules of the board. The operator may elect to deposit cash, negotiable bonds, or negotiable certificates of deposit of any bank organized or transacting business in the United States. The cash deposit or market value of ~~such~~ the securities ~~shall~~ must be equal to or greater than the amount of the bond required for the bonded area. The level of bonding ~~shall~~ must be relative to the degree of disturbance projected by the original permit and the annual report. A political subdivision or agency of the state need not file a bond unless required to do so by the department. The department shall adjust the amount of bond required if the cost of reclamation changes.

(3) The board may adopt rules authorizing an operator to self-insure and self-bond without providing a separate surety if the operator designates or appoints a suitable agent to receive service of process and demonstrates a history of financial solvency and continuous operation, as defined by board rules, sufficient to satisfy the board that the operator may be eligible to self-insure all or a portion of the required bond amount. The board may adopt rules to provide an alternate bonding system other than that provided in subsection (2) that will achieve the objectives and purposes of bonding pursuant to this section.

~~(3)~~(4) In determining the amount of the bond, the department shall take into consideration the character and nature of the overburden, the future suitable use of the land involved, and the cost of backfilling, grading,

1 highwall reduction, subsidence stabilization, water control, topsoiling, and reclamation to be required, but in no
2 event shall the bond may not be less than the total estimated cost to the state of completing the work described
3 in the reclamation plan."

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5 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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